



investing in our community with vision, compassion and innovation

May 31, 2005

RECEIVED

JUN 06 2005

CITY OF SUNNYVALE
HOUSING DIVISION

Annabel Yurutucu
City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94088

Dear Annabel,

Thank you for taking the time to meet with Cheryl and me last week. We both felt that it was a very productive conversation and that there is a great opportunity for HTSCC to complement Sunnyvale's affordable homeownership program.

If we understand your program correctly, Sunnyvale will be offering up to 240 below market rate (BMR) homes for purchase to the community over the next few years. In addition to the homes, the city will be offering several financing tools to enable low income buyer to qualify for and afford the financing necessary to purchase these units. The Trust would like to enhance the city's financing options by offering our First Time Homebuyer (FTHB) closing cost loan program as an additional financing tool. The intent of our zero-interest loan product is to assist new buyer with the payment of their closing costs. We do not require repayment of the loan until the home is either refinanced or sold by the purchaser.

In order to ensure that Sunnyvale maximizes the benefit of the proposed contribution of \$200,000 per year for three years to HTSCC, we would suggest that we reserve the funds contributed by the city for exclusive use within the limits of Sunnyvale or for programs being administered by the city. By doing this, Sunnyvale would both ensure that the city's residents receive the full value of the contribution and also leverage the funds already dedicated to their BMR program by the city.

The Housing Trust is most interested in creating affordable housing tools that benefit our residents and meet the needs of the cities that so generously support our efforts. I would welcome the opportunity to discuss this with you in greater detail at your convenience and look forward to hearing from you soon.

With thanks and regards,

A handwritten signature in dark ink, appearing to read "Taylor Dial".

Taylor Dial
Executive Director